## REMARKS

Claims 1-7 are all the claims pending in the application.

Claims 1-7 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Iverson et al. (U.S. Patent No. 5,832,234, hereinafter "Iverson"). Claims 1-3 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Jeong (U.S. Patent No. 6,393, 060, hereinafter "Jeong").

Applicant submits that claim 1 is patentable because Iverson nor Jeong teaches, suggests or provides motivation for:

an SAD examiner for generating coding selection information for coding the entire present frame in an intra-coding mode when the SAD value output from the motion prediction part exceeds a predetermined SAD threshold, or in an inter-coding mode when the SAD value does not exceed the predetermined SAD threshold

Similarly, claims 2 and 3 are patentable because Iverson nor Jeong teaches, suggest, or provides motivation for

coding the entire input frame in an intra-coding mode when the SAD value of the frame data of the input frame exceeds the SAD threshold; and

coding the entire input frame in an inter-coding mode when the SAD value of the frame data of the input frame does not exceed the SAD threshold (claim 2)

and

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an SAD examiner for generating coding selection information for coding

the entire present input frame in an intra-coding mode when the SAD value

output from the motion prediction part exceeds a predetermined SAD threshold,

or in an inter-coding mode when the SAD value does not exceed the

predetermined SAD threshold (claim 3),

respectively.

Remaining claims 4-7 are patentable for at least the reasons submitted for their respective

base claims.

In view of the above, reconsideration and allowance of this application are now believed

to be in order, and such actions are hereby solicited. If any points remain in issue which the

Examiner feels may be best resolved through a personal or telephone interview, the Examiner is

kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue

Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any

overpayments to said Deposit Account.

Respectfully submitted,

Limited Recognition No. L0212

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Date: November 21, 2005

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